

# MOBOTIX AG

## Half-Year

# Financial Report

October 01, 2023 to March 31, 2024

We create innovative solutions  
BeyondHuman**Vision**



**MOBOTIX**  
BeyondHuman**Vision**

## Business and General Conditions

### Market and Competition

The market for video security systems at the beginning of the first half of the 2023/24 financial year was tense due to the war in Ukraine and the Middle East conflict, along with the resulting global economic uncertainty, but showed signs of recovery during the first half. Competitive pressure in major sales markets remains high due to a price-aggressive market environment and technologically advanced competitors. MOBOTIX, as a technology company, counters this pressure by introducing new camera lines, various software innovations, and strategic technology partnerships. The strategic focus is to position MOBOTIX as a German full-solution provider for selected vertical market applications.

In the first half of the 2023/24 financial year, MOBOTIX continued to focus on portfolio expansion, the availability of new innovative products and solutions, and sales concepts as part of its mid-term planning.

**Integration and strategic partnerships** remain a key focus for MOBOTIX this financial year. The MOBOTIX „Certified App“ program for strategic partnerships was extended in the healthcare sector through a partnership with Kepler and the **NurseAssist** app, which supports nursing staff by automatically detecting patient falls. This can ensure immediate intervention in emergencies while reducing the workload for caregivers. Additionally, the NurseAssist app was integrated into

the MOBOTIX HUB using a dedicated plugin, allowing privacy-compliant assistance to caregivers, especially by protecting patient privacy, as the system does not need to display image data in MOBOTIX HUB directly but can represent alarms solely through symbols.

The camera portfolio was expanded with a new **MOBOTIX MOVE** Multisensor PTZ combination. This allows for continuous 360° surveillance through four independent sensor modules while integrating another PTZ sensor module within the same camera. Using AI-assisted detection methods, it's possible to automatically track individuals with the PTZ module. Additionally, two cost-effective models for basic applications were added to the product range: the 2MP and 5MP Turret cameras.

To strengthen the thermal area, the **Thermal Validation App** was further developed to reduce false alarm rates while not missing significant events. For this, the detection of alarms triggered by vehicles was further improved. To facilitate post-event analysis of thermal events, a Thermal Dashboard was introduced in both MOBOTIX HUB and MOBOTIX ManagementCenter, allowing for easy analysis of temperature trends and alarms over extended periods.

Throughout the entire product portfolio, there were several firmware updates in the first half of the year, expanding functionality and enhancing cybersecurity.



### Cooperation with Konica Minolta

The technology cooperation between MOBOTIX and Konica Minolta continued in the first half of the 2023/24 financial year. The collaboration in the field of deep learning-based video analysis and the KM FORXAI platform progressed.

Konica Minolta also invested in a significant number of sales personnel during the first half of the 2023/24 financial year, focusing on selling MOBOTIX technologies to end customers and channel partners.

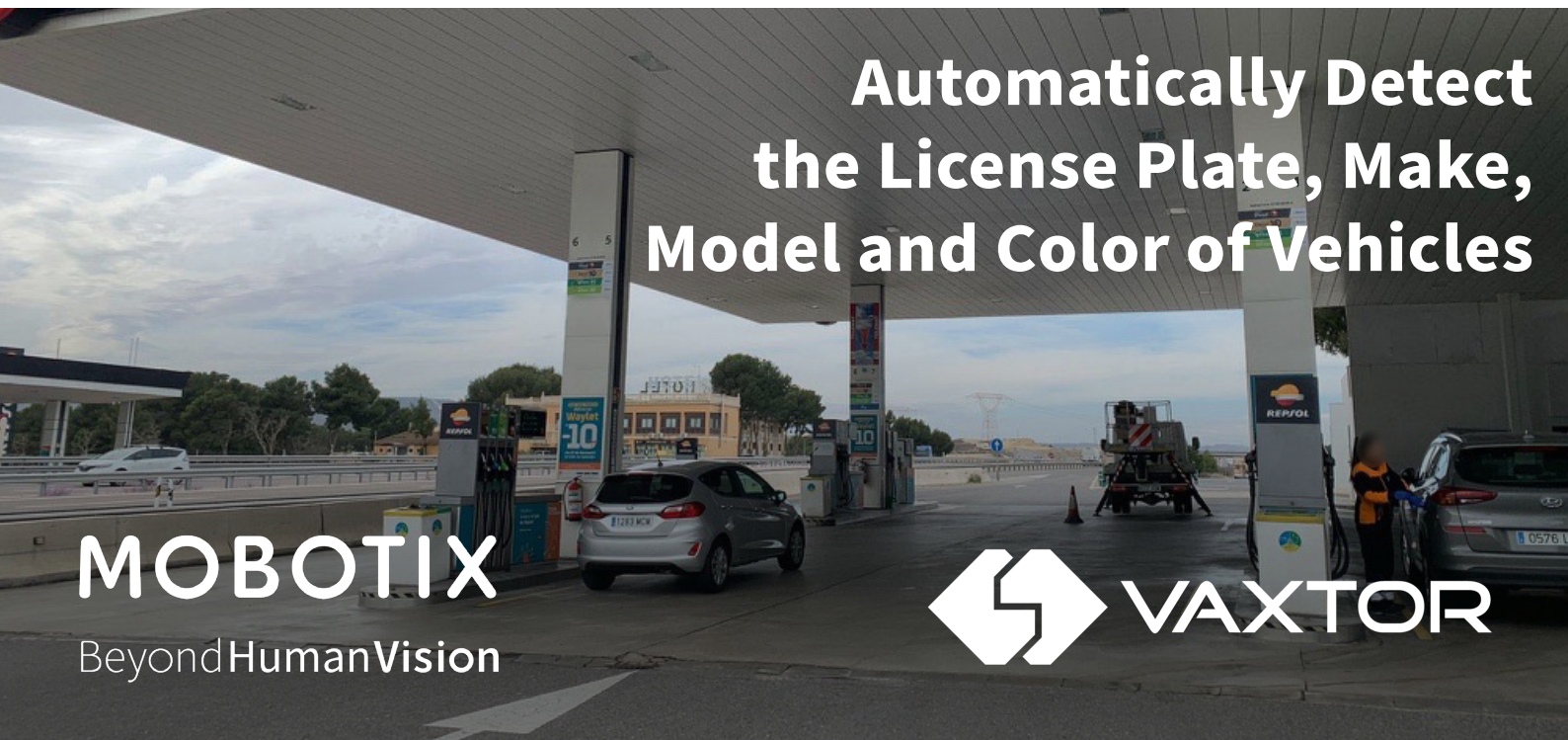


### Development of the Vaxtor Group

Vaxtor's OCR analysis technology is used for the automated recognition of letters, numbers, barcodes, or other machine-readable data. It enables the rapid and cost-effective capture of such information, processing, and the initiation of associated processes.

The OCR technology opens doors for deep learning in the vertical markets defined by MOBOTIX, for example, in license plate recognition and beyond. This includes applications in the commercial sector for container, vehicle, and aircraft recognition or supply chain monitoring.

Vaxtor supports MOBOTIX's strategic focus on deep learning, as Vaxtor ALPR can be operated decentrally through apps, providing a competitive advantage over several competitors.



## Results of Operations, Net Assets and Financial Position

### Earnings

Sales in the first half of the 2023/24 financial year decreased by 31.0% compared to the previous year, from EUR 33.1 million to EUR 22.9 million. Revenue from contract development fell by EUR 0.7 million to EUR 0.2 million. Revenue from the sale of components increased from EUR 0.7 million to EUR 0.8 million. Revenue from the sale of video systems and software fell by EUR 11.0 million, a decrease of 33.3%.

The revenue decline from the sale of video systems and software was primarily due to project delays and postponed customer financing. In the DACH region, sales decreased by 21%, in Europe by 35%. The largest decline was in America, where sales dropped by 61%. The APAC region saw a 10% increase in sales.

The increased collaboration with Konica Minolta in deep learning-based video analysis and the KM FORXAI platform continued in the first half of the 2023/24 financial year. The decline in revenue from contract development mainly resulted from strengthening in-house development. Consequently, capitalized self-generated assets increased by EUR 0.6 million to EUR 2.3 million.

The material input ratio (material cost, adjusted for inventory changes, relative to sales revenue excluding contract development) rose to 49.7% (previous year: 47.0%), mainly due to lower sales revenue compared to the first half of 2022/23.

The personnel cost ratio (personnel cost relative to total output) increased in the first half due to lower sales revenue, rising from 38.2% in the previous year to 45.8%. The decline in personnel costs by EUR 1.8 million resulted from a general reduction in the number of employees.

Other operating expenses totaling EUR 4.0 million in the first half of 2023/24 decreased by EUR 0.4 million (9.4%) compared to the previous year. The decline in other operating expenses was mainly due to reduced marketing and travel costs.

EBITDA (-4.5% of total output; earnings before interest, taxes, and depreciation) was -EUR 1.1 million, down by EUR 3.6 million compared to the previous year's first half (EUR 2.5 million). EBIT (-13.2% of total output; earnings before interest and taxes) was -EUR 3.2 million, 3.6 million lower than the previous year's first half.

The first half of 2023/24 ended with a net loss of -EUR 3.8 million (first half of 2022/23: -EUR 0.3 million) and a sales margin of -16.9% (first half of 2022/23: -0.9%).

### Net Assets

Non-current assets increased by EUR 0.6 million compared to the beginning of the financial year, totaling EUR 31.3 million. Intangible assets rose primarily due to capitalized self-generated costs by EUR 2.2 million. Property, plant, and equipment decreased to EUR 13.1 million due to planned depreciation of EUR 0.7 million.

Inventory dropped from EUR 25.3 million at the beginning of the financial year to EUR 25.0 million as of March 31, 2024.

Accounts receivable from sales and services decreased by EUR 5.6 million to EUR 9.1 million compared to the beginning of the financial year as of March 31, 2024. This was due to payments of overdue invoices from customers and decreased sales revenue during the reporting period.

Receivables from affiliated companies, including receivables from companies in the Konica Minolta group, decreased by EUR 2.1 million to EUR 1.5 million as of March 31, 2024.

Cash and cash equivalents increased by EUR 0.8 million compared to September 30, 2023, totaling EUR 1.7 million (September 30, 2023: EUR 0.9 million).

Deferred tax assets were primarily formed due to existing loss carry-forwards, totaling EUR 5.8 million as of March 31, 2024.

Equity decreased by EUR 3.8 million to EUR 14.3 million, considering the result for the first half of the 2023/24 financial year. The equity ratio dropped from 22.3% on March 31, 2023, to 18.9% on March 31, 2024.

The decrease in other provisions by EUR 0.9 million to EUR 6.7 million mainly resulted from the utilization of provisions for outstanding invoices.

Bank liabilities decreased by EUR 5.6 million to EUR 8.4 million as of March 31, 2024, compared to the beginning of the financial year. This decline resulted from planned repayments of short- and medium-term loans and the replacement and repayment of short-term bank loans through loans from Konica Minolta Inc., Tokyo, Japan, totaling EUR 36.7 million at the reporting date.

Liabilities from sales and services remained nearly unchanged compared to September 30, 2023, at EUR 6.3 million.

Deferred tax liabilities were created due to the capitalization of self-generated development costs, totaling EUR 3.8 million as of March 31, 2024.

## Financial Position

The operating cash flow before working capital changes was -EUR 2.1 million for the first half of 2023/24 (previous year: EUR 1.8 million). The negative change compared to the first half of 2022/23 is primarily due to the worsening half-year result before taxes of -EUR 4.4 million.

Cash flow from operating activities before income taxes amounted to EUR 7.2 million (previous year: EUR 2.5 million), mainly due to the reduction in accounts receivable from sales and services and those from affiliated companies.

The negative cash flow from investing activities, totaling -EUR 2.8 million (previous year's first half: -EUR 2.3 million), was mainly due to investments in intangible assets amounting to EUR 2.7 million, primarily attributable to capitalized self-generated costs.

The positive cash flow from financing activities, totaling EUR 1.5 million (previous year's first half: -EUR 1.2 million), primarily resulted from intercompany loans from the parent company and interest payments for financial liabilities.

The development of individual cash flows resulted in a negative cash fund of EUR 1.7 million as of March 31, 2024 (March 31, 2023: -EUR 30.9 million). To finance the negative cash fund, short-term loans of EUR 8.2 million were obtained, resulting in a cash balance and bank deposits of EUR 1.7 million as of March 31, 2024. Nearly all existing bank credit lines had been utilized as of March 31, 2024.

## Opportunities and Risks of Future Development and Outlook

Regarding the opportunities and risks for future development, no changes occurred in the first half of the 2023/24 financial year. The statements made in the 2022/23 risk report remain unchanged. Notably, the overall challenging economic situation caused by the war in Ukraine and the Middle East conflict has not significantly improved.

The Management Board points out that, considering the financial situation of MOBOTIX AG, the majority shareholder, Konica Minolta, Inc., committed on February 28, 2024, to funding the company until June 30, 2025, with a qualified subordination clause.

On February 28, 2024, the majority shareholder committed an additional credit line of EUR 7.0 million until June 30, 2025. An amount of EUR 2.5 million was drawn on March 21, 2024. The remaining EUR 4.5 million can be drawn as needed.

Konica Minolta, Inc., granted intercompany loans totaling EUR 36.7 million as of March 31, 2024.

The targeted revenue for the MOBOTIX Group for the 2023/24 financial year is in the range of EUR 54.0 million to EUR 56.0 million. EBIT for the 2023/24 financial year is in the range of EUR 0.3 million to EUR 1.0 million. Revenue still depends on the overall economic conditions, especially the effects of the war in Ukraine and the Middle East conflict, as well as the consequences of the global procurement situation for electronic components, particularly semiconductors, and the product mix. The forward-looking statements made above are indicative in nature.

Winnweiler-Langmeil, May 02, 2024

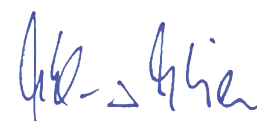
The Management Board



Thomas Lausten • CEO



Christian Cabirol • CTO



Klaus Kiener • CFO



Philippos Antoniou • CSMO

## Condensed Consolidated Financial Statements

Condensed notes to the consolidated financial statements as of March 31, 2024

KEUR	03-31-2024	09-30-2023
Fixed assets	31,335	30,687
Current assets	38,182	45,369
Prepaid expenses	903	680
Deferred tax assets	5825	4753
<b>ASSETS</b>	<b>76,246</b>	<b>81,490</b>
Equity	14,374	18,186
Provisions	6691	7690
Liabilities	51,297	52,171
Prepaid expenses	86	93
Deferred tax liabilities	3799	3430
<b>PASSIVA</b>	<b>76,246</b>	<b>81,490</b>

## Condensed notes to the consolidated financial statements

### General data

The fiscal year for MOBOTIX AG begins on October 1st of each year and ends on September 30th of the following year.

### Basis of accounting

The condensed consolidated interim financial statements as of March 31, 2024, were prepared in accordance with the German Accounting Standard No 16 (DRS 16) „Interim Financial Reporting“ issued by the Accounting Standards Committee of Germany (ASCG), and in compliance with the Basic Board’s General Terms and Conditions of Deutsche Börse AG. The accounting and valuation methods applied are essentially the same as those used in the consolidated financial statements for the fiscal year 2022/23.

Condensed income statement from October 01, 2023 to March 31, 2024

KEUR	10-01-2023 - 02-31-2024	10-01-2022 - 02-31-2023
Revenues	22,861	33,140
Decrease/increase in inventories of finished goods and work in progress	-444	-654
Other own work capitalized	2301	1707
Other operating income	323	337
Cost of materials	10,797	14,526
Personnel expenses	11,327	13,078
Depreciation	2163	2116
Other operating expenses	4023	4442
Interest and similar expenses	1097	580
Taxes on income and earnings	-545	61
<b>Earnings after taxes</b>	<b>-3822</b>	<b>-273</b>
Other taxes	32	22
<b>Consolidated net loss/income for the period</b>	<b>-3854</b>	<b>-295</b>

Under the option provided by Section 248 (2) of the German Commercial Code (HGB), own development costs amounting to EUR 2,301 thousand were capitalized during the first half of the fiscal year 2023/24. Depreciation on the capitalized development costs totaled EUR 1,043 thousand. Correspondingly, deferred tax liabilities of EUR 406 thousand were recognized.

In exercising the option under Section 274 (1) Sentence 2 HGB, deferred tax assets of EUR 5,825 thousand were recognized, of which EUR 5,284 thousand stem from tax loss carryforwards from MOBOTIX AG.

For more details on the specific accounting and valuation methods applied, refer to the consolidated financial statements of MOBOTIX AG as of September 30, 2023.

### Scope of Consolidation

The consolidation scope of MOBOTIX AG as of March 31, 2024, has not changed compared to the consolidated financial statements as of September 30, 2023.

### Supplementary Report

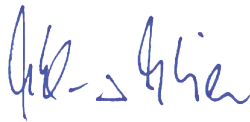
On February 28, 2024, the majority shareholder committed an additional credit line of EUR 7,000 thousand until June 30, 2025. An amount of EUR 2,500 thousand was drawn on March 21, 2024. The remaining EUR 4,500 thousand can be drawn as needed. Additionally, the Management Board refers to the explanations in the management report. No further events of special significance have occurred after the close of the first half of the year that would have a substantial financial impact on the assets and earnings of the MOBOTIX Group.

Winnweiler-Langmeil, May 02, 2024

The Management Board



Thomas Lausten • CEO



Klaus Kiener • CFO



Christian Cabiról • CTO



Philippos Antoniou • CSMO

### Disclaimer

This financial report contains statements and information by MOBOTIX AG relating to future periods of time. These forward-looking statements can be identified by words such as plan, expect, intend, aim, will, estimate, assume, target or similar expressions. Such statements have been made on the basis of the current situation and current expectations and may differ significantly from actual performance, both positively and negatively. Uncertainties may be due to factors such as: Changes in the overall economic situation, both domestically and globally, changes in the political environment, the introduction of new products or technologies by other companies, changes in investment behavior in MOBOTIX AG's key customer markets, changes in exchange rates and interest rates, the integration of acquired companies, and other factors. Beyond existing legal obligations, MOBOTIX AG assumes no obligation to correct or update forward-looking statements.

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